

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN-SOUTHERN DIVISION**

In Re: Maude's Alabama BBQ. LLC

Case No. 24-31583

Chapter 11

Hon. Applebaum

Debtor(s).

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PRE-STATUS CONFERENCE REPORT

NOW COMES, Maude's Alabama BBQ. LLC the "Debtor"), by and through its counsel, George E. Jacobs and, pursuant to 11 U.S.C. § 1188(c) states:

1. On August 23, 2024 (the "Petition Date") the Debtor filed a voluntary petition in this Court for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code").
2. The Debtor continues to manage and operate its business as debtor-in- possession pursuant to § 1184 of the Bankruptcy Code.
3. Kimberly Clayson has been appointed Subchapter V Trustee in this case.
4. Ronald Darnell is the responsible person for the Debtor.

5. Since the Petition Date, the Debtor has worked to address the concerns of the various interested parties in this case, including the Office of the United States Trustee and the Subchapter V Trustee.
6. The Debtor is a Michigan Limited Liability Company in good standing. It operates a takeout barbecue restaurant in Davison, Michigan and a sit down barbecue restaurant in Lapeer, Michigan which also sells alcohol. The Debtor also has a small wholesale bbq sauce operation selling to grocery stores. The restaurants are run by the majority shareholder Ronald Darnell and minor shareholders Alyssa and Ronald Housely and Joshua Perry.

Pre-petition the Debtor opened the first of its locations in Davison. Based on the initial success of the takeout restaurant. The Debtor decided to expand to its sit down location in Lapeer. Unfortunately, the Debtor under estimated both the time and money it would take to open the restaurant. This resulted in the borrowing of MCA loans which the Debtor could not service resulting in the filing of this case. Post petition certain things have happened which have impacted the Debtor and impact this plan:

- a. The Debtor filed its first day motions for use of cash collateral and for the payment of wages. These motions were approved by the Court in the ordinary course.
- b. The Debtor is also retaining an accountant Schofield Accounting and Tax Service.
- c. The Debtor has entered into a stipulation and order to pay its mortgage debt to Elga Credit Union.
- d. The Debtor has filed motions to assume the land contract for one of its restaurant locations and to reject a duplicative credit card processing lease.
- e. The Debtor has also made a series of small budget cuts. While none of them are large, when added together, they have helped the bottom line.

As indicated above, the Debtor has taken steps to improve its bottom line.

These changes have also resulted in profitability for the Debtor post petition.

- 7. With the restructure of certain debt and the eliminate of other debt together with other cost cutting measures now being implemented and to be implemented in the coming months, the Debtor believes it can file a confirmable plan.
- 8. The Debtor is in the process of formulating a Plan of Reorganization (the “Plan”) which will be filed on or before November 21, 2024 (the plan deadline). The Debtor will collaborate with the Subchapter V Trustee to address any issues that

arise and to discuss the potential for obtaining a consensual Plan of Reorganization.

9. The Debtor expects the Plan to include one group and six (6) classes.
 - a) Administrative claims of the Subchapter V Trustee and Counsel for the Debtor (Group 1).
 - b) The priority claims of the IRS/State of Michigan.
 - c) The secured claim of Elga Credit Union.
 - d) The secured claim of the Idea 24/7 Inc.
 - e) The secured claim of Lapeer County.
 - f) Executory Contract of the Estate of Domenico Siciliano.
 - g) Unsecured creditors.
10. The Debtor remains hopeful that its efforts and those of the Subchapter V Trustee will lead to a consensual plan of reorganization with its creditors.

Respectfully submitted,

Dated: 10/2/24

/s/ George E. Jacobs
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